



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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Michael O. Leavitt
Governor

Robert L. Morgan
Executive Director

Lowell P. Braxton
Division Director

March 12, 2003

Kay J. Christofferson
H.E. Davis Construction
525 West Arrowhead Trail
Spanish Fork, Utah 84639

Re: Transfer of Notice of Intention, Small Mining Permit, Levan – Steele Project, S/023/016,
Juab County, Utah

Dear Mr. Christofferson:

On March 3, 2003, we received a completed Small Mining Operations permit transfer form from H.E. Davis Construction. This form will effectively transfer the Levan - Steele small mining project, located in portions of the SE1/4, of Section 33, T14S, R1E, Juab County, Utah from Geneva Rock Products, Inc. to H.E. Davis Construction.

The Division Director signed and executed the small mine permit transfer document on March 7, 2003, *which effectively transfers all mining and reclamation responsibility to H.E. Davis Construction.* A copy of the executed transfer form is enclosed for your files. H. E. Davis Construction is now the operator responsible for all mining and reclamation obligations that are associated with this project.

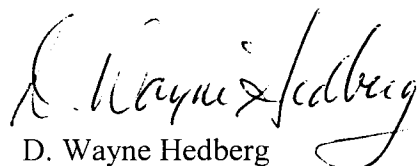
Presently, we are working jointly to resolve the remaining permitting concerns so that the large mine notice can be approved. H.E. Davis has posted a \$226,100 reclamation surety to cover the anticipated reclamation costs for all current and proposed mining-related disturbances. The mine is currently inactive and is scheduled to remain so throughout the winter months. As you know, mining operations are still restricted to those areas identified and physically outlined on the ground by Geneva Rock Products in response to a previous Non-Compliance Notice issued by the Division for exceeding the 5-acre small mining disturbance threshold. Once the large mine permit application is approved, the current mine expansion restrictions will no longer apply.

Please be aware that you must also satisfy any USFS requirements that may apply in making this ownership change. We will forward a copy of the executed small mine permit transfer form and this letter to the USFS for their records.

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Kay Christofferson
M/023/016
March 12, 2003

By copy of this letter the Division hereby officially releases Geneva Rock Products, Inc. from any further reclamation responsibilities at this site. Thank you for your help in finalizing this transaction. If you have any questions or concerns regarding this letter, please contact me at (801) 538-5286, or Tom Munson at 538-5321.

Sincerely,

A handwritten signature in black ink, reading "D. Wayne Hedberg". The signature is written in a cursive style with a large, stylized "H" and a long, sweeping underline.

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
Enclosure: Executed Transfer form
cc: Brian McClelland, USFS, Manti-Lasal NF w/encl
O:\M023-Juab\m0230016-LevanGypsum\final\transferSmall-approve.doc

This Section For DOGM Use:
New DOGM File No.: m/023/016
Date Received: March 3, 2003
Date Effective: March 7, 2003

UTAH STATE DEPARTMENT OF NATURAL RESOURCES

Division of Oil, Gas and Mining
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

RECEIVED
MAR - 3 2003

DIV. OF OIL, GAS & MINING

UTAH MINED LAND RECLAMATION ACT
Chapter 8, Title 40
Utah code Annotated
Amended 1987

TRANSFER OF NOTICE OF INTENTION
SMALL MINING OPERATIONS

SMALL MINING OPERATION

Name of Claim/Mine: Levan - Steele

File Number as Assigned by DOGM (Original Notice): S / 023 / 016

Legal Description (Location of Lands Affected):

<u>SE 1/4</u> 1/4 1/4 1/4	<u>33</u> Section	<u>14 S</u> Township	<u>1 E</u> Range	<u>Juab</u> County
<u>SW 1/4</u> 1/4 1/4 1/4	<u>33</u> Section	<u>14 S</u> Township	<u>1 E</u> Range	<u>Juab</u> County

Attach a topographic map (labeled as Appendix "A") of suitable scale (max. scale, 1 inch = 200 ft., 1 inch = 100 ft. preferred) which clearly outlines the existing disturbed area boundaries affected by the small mining operation through the date of this transfer.

CURRENT OPERATOR (Transferor)

Name of Company/Operator: Geneva Rock Products, Inc

Address: PO Box 538

City: Orem State: UT Zip Code: 84059

Telephone Number: 801-765-7800

Signature: Al Schellenberg

Name (Type or Print) Al Schellenberg

Title/Position: President

Date: 2-25-03

I hereby transfer the notice of intention and the reclamation obligation for the aforementioned small mining operation to:

NEW OPERATOR (Transferee)

Name of Company/Operator: H E Davis Construction
Address: 525 West Arrowhead Trail
City: Spanish Fork, UT State: UT Zip Code: 84639
Telephone Number: 801-722-2100

I hereby commit to conduct mining operations and to reclaim the aforementioned small mining operation as required by the Utah Mined Land Reclamation Act (40-8) and Minerals Rules R647-3 et seq. as promulgated and approved by the Board of Oil, Gas and Mining.

Kay Christofferson
Signature (New Operator)

Kay Christofferson
Name (Type or Print)

President
Title/Position

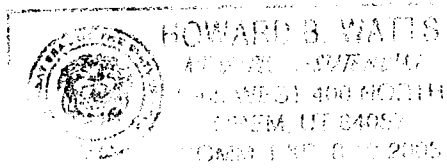
Subscribed and sworn before me this 26 day of February, 2003.

Howard B. Watts
Notary Public

My Commission Expires:

Aug. 12, 2005

State of Utah)
County of Utah) ss.



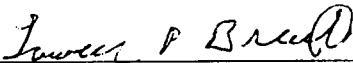
DIVISION APPROVAL CERTIFICATION

This is to certify that I have examined this application for transfer of the aforementioned small mining operation and do hereby grant approval of the same, subject to the following limitations:

- (a) This transfer of small mining permit grants only the right to affect the lands as legally described in this application.
- (b) The transferee, or such other person as required by UCA 1953, Title 40-8, as amended, has acquired the legal right to enter and mine the lands as described in this application.
- (c) A topographic map of suitable scale is attached (as Appendix "A") which clearly outlines and labels the existing disturbed area boundaries through the date of this transfer.

COMMENTS:

APPROVED BY:



Lowell P. Braxton, Director
Division of Oil, Gas and Mining

Effective Date: 3/7/03